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COMMISSION ON TRANSNATIONAL CORPORATIONS
Intergovernmental Working Group of
Experts on International Standards of
Accounting and Reporting
Eleventh session
4-12 March 1993
Agenda item 5

ADOPTION OF THE REPORT OF THE GROUP ON ITS ELEVENTH SESSION

Draft report

Addendum

Rapporteur: G. G. M. BAK (Netherlands)

ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS

1. At its 1st meeting, on 4 March, the Group adopted the agenda, after deleting item 4 (Provisional agenda for the twelfth session of the Group), because the question had already been considered at the tenth session of the Group.

2. The Secretary of the Group reminded the members that the terms of 18 countries would expire at the end of 1993. If they wished to renew their memberships, their Governments should indicate that in writing as soon as possible. The elections for the Group would be held on 29 and 30 April. If re-elected, a country would serve for a three-year term.

3. On the basis of three draft decisions proposed by the Chairman the Group then considered the remaining organizational matters, such as the size of the Group, the funding of the travel of experts from developing countries and the resources allocated to the work by the United Nations Secretariat, as well as the timing of the meeting. Several experts reminded the Group of the special nature of the present session as approved at the ninth session in 1991. They questioned whether it was appropriate to have resolutions on the agenda that did not specifically relate to the topic assigned for such a special session. For this reason, the experts from France and the Netherlands abstained from voting on all three resolutions.

4. The Group noted the growing number of countries interested in the work of the Group, particularly new Member States, many of them countries in transition. The expert from Germany said that he supported the increase in membership. Furthermore, he supported open membership since all interested members of the Economic and Social Council should be able to join. There was no reason to have a closed shop. The expert from Switzerland favoured a step-by-step approach and thought that an increase to 40 or 50 would be more appropriate. The Chairman stated that there were no countries from North America and that some countries which had large accounting professions were absent. In particular he made a strong appeal that the United States of America rejoin the Group. The Group concluded that it would request an increase in membership to 50 according to the following pattern: 13 members from African States, 10 from Asian States, 6 from Eastern European States, 7 from Latin American and Caribbean States and 14 from Western European and other States.

5. The Group then discussed the funding of the expenses of experts from developing countries for attending the sessions. The representative of the World Bank stated that he often faced the problem of balanced participation of experts from developing countries and that it was necessary to fund their travel. The experts from Gabon, Nigeria and India supported the proposal to fund the expenses of experts from developing countries within existing resources and appealed to the experts from France and the Netherlands to consider the matter despite their reluctance on procedural grounds. The Group concluded that it would request the General Assembly to consider granting travel assistance, within existing resources.

6. The Group then discussed the impact of the restructuring of the United Nations Secretariat on its work. Since the Group was the only forum open to developing countries and countries in transition, it was necessary to ensure that the Group would have sufficient resources to fulfil its mandate. The expert from Nigeria stated that financial reductions would affect the implementation of the programme of work and cause developing countries to suffer. Therefore, it was important to consider the impact of restructuring at the present session. The representative of the World Bank noted that large organizations often gave mandates but then did not vote the resources. Given the lack of rationality, he agreed with the necessity of having a specific resolution on the subject. The Group concluded that it should call upon the Secretary-General to ensure that the appropriate structure and resources were made available within the United Nations Secretariat so that the Group could effectively carry out its mandate.

7. Lastly, the Group decided to retain early March as the date for its session, since a number of experts had adjusted their schedules accordingly.